

# Farming Assistance Grant Program

Farming Assistance Ad-Hoc Committee



# Introduction

The Farming Assistance Ad-Hoc Committee has developed recommendations for a grant program, including:

- Eligibility requirements
- Application process
- Funding thresholds and mechanism
- Anticipated benefits



# Objective

- The goal of the grant program is to assist young and new farmers as financial viability has been negatively impacted by property tax increases that have resulted from significant increases in farmland property assessments.
- The grant will be administered by the County Cultivation Corporation.



# Eligibility Criteria

Young and new farmers are eligible to receive the grant if:

- They possess or they have pre-registered for a Farm Business Registration number, and engaged in farming activities on the farmland that the grant is being requested for.
- They are between the ages of 18 and 39 the year that the grant will be provided; OR
- They have been engaged in farming activities for less than seven years.
- Their primary occupation is farming.



# Eligibility Criteria

A farm is eligible to receive the grant if:

- The young or new farmer applicant is the sole proprietor, a member of a partnership, or a shareholder in a farming corporation.
- In addition to owned farmland and farm structures, leased land that is linked to their Farm Business Registration number is eligible.



# Application Process

Application forms will be accepted by the County Cultivation Corporation, in partnership with the County of Prince Edward later this year.

The application process is relatively simple and requires basic information.

A letter from a third-party professional is required with the application form in order to confirm the information.

There is no cost to apply.



# Estimated Number of Eligible Farmers

Total number of farms in the County of Prince Edward (2016 Census): 432

Estimated number of farmers under age 40 (Statistics Canada): 15.0%

Estimated new farmers: 10.0%

Total percentage of farmers eligible for the program: 25.0%

Estimated number of eligible farmers: 108



# Grant Amount

Eligible farmers can receive a grant of a minimum of \$300 up to a maximum of 20% of their annual farm tax bill, whichever is greater.

The grant amount is calculated based on the farmland portion of the young or new farmer's farm tax bill, as per MPAC.

To be eligible, the farm must have a Farm Business Registration number, which requires a minimum of \$7,000 gross revenue.



# Grant Amount Justification

Many young and new farmers cite financing as a major challenge to establishing and maintaining a farming operation.

Relieving the financial stress caused by increases in the assessed value of farmland will help these farmers continue their farming activities.



# Potential Funding Requirements

<b>Year</b>	<b>Average Tax Levy Per Farm (non-residential portion)</b>	<b>Grant Per Farm Based on 20% of Farm Tax Bill</b>	<b>Total Grant Requirements Based on Number of Eligible Farms</b>
2018	\$1,821	\$364	\$39,340
2019	\$2,070	\$414	\$44,712
2020	\$2,343	\$469	\$50,603



# Financial and Policy Implications

This expense was not included in the County of Prince Edward's 2018 budget.

Staff recommends that the contribution of \$40,000 be funded from the Tax Rate Stabilization Reserve.

The committee has recommended that the program be included for consideration to continue in the 2019 and 2020 budgets.

If approved, the grant would be a line in the 2019 and 2020 budgets.



**Thank you. Questions?**

